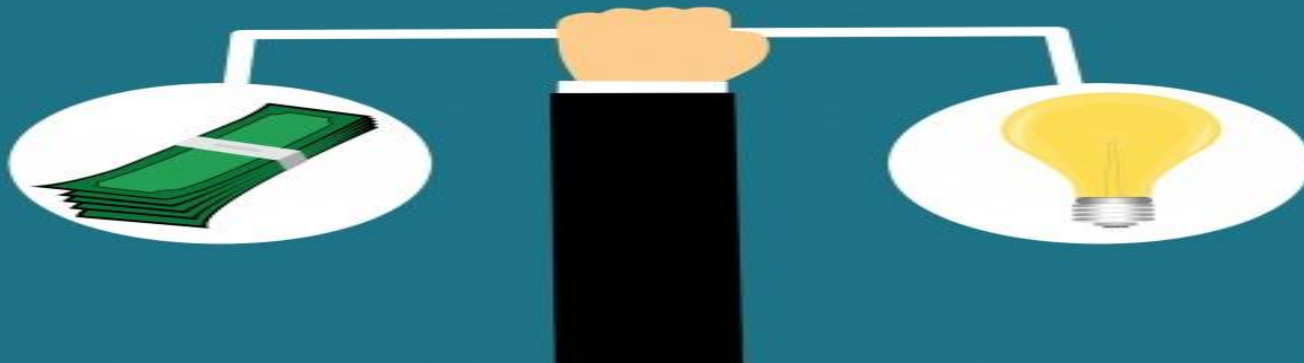


# 2021-22 BUDGET DEVELOPMENT PROCESS



A Challenging Time – A balance of good ideas,  
planning and available resources

December 10, 2020

# 2021-22 BUDGET DEVELOPMENT PROCESS

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- ✘ Budget Strategies – ‘*A Good Starting Point*’
  - + Sustainability
  - + Preservation of programs – instructional and support
  - + Creativity
  - + Reality

# 2021-22 BUDGET DEVELOPMENT PROCESS

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## ✘ Fiscal Resources

- + Effects of the COVID-19 Pandemic
- + Tax Levy Limit Cap under 2%
- + New York State's Fiscal Crisis and expected reductions in State Aid
- + Use of Reserves and Fund Balance considerations

# NEW YORK'S TAX CAP BELOW 2 PERCENT

- ✘ As of October 2020, property tax increases have been trending at a 1.43 percent increase for local governments in New York amid a pandemic-induced cash crunch,
- ✘ The cap limits property tax levy increases to 2 percent or the rate of inflation, whichever is lower. There are narrow exemptions for some growth, and local governments can override it,
- ✘ By the 1<sup>st</sup> week of January 2021, districts will have the State-wide levy cap percentage to use in their Tax Levy Cap calculation,
- ✘ Through October 2020, the Regional CPI is trending at 1.11%. We fully expect the Cap to be below 2% maximum.

# WHAT WE MAY EXPECT TO SEE FROM NYS

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- ✘ NYS Division of Budget: Mid-Year Fiscal Update

The State's anticipated General Fund revenue declined to \$14.9 billion, with revenue anticipated to decline by \$63 billion through FY 2024. The report goes on to note that, without additional substantial aid from the Federal Government, the State will be forced to further reduce spending on areas such as education and healthcare. The DOB anticipates publishing a detailed plan later in the fiscal year.

# WHAT WE MAY EXPECT TO SEE FROM NYS

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- ✘ Local governments are facing limited revenue options amid a pandemic that has ground the economy to a virtual halt for much of the year so far, freezing sales tax revenue and potentially slashing State aid by up to 20 percent.

# COMPTROLLER SEES 'GLIMMER OF HOPE' FOR FEDERAL STIMULUS

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Local officials should not feel any urgency to act mid-year to curtail spending despite a 5.2% drop in October State sales tax revenue, according to state Comptroller Thomas Di Napoli.

"I think we will be getting more help from Washington," Di Napoli said on Spectrum News' Capital Tonight. "The question is how much and when."

He said it is in the national interest for Congress to act: "We have many COVID-19 related expenses that haven't been reimbursed yet ... our local governments are on the forefront of the pandemic response, and they need financial aid from the Federal Government to help them get through this crisis."

DiNapoli said neither the State Legislature nor local boards need to act on 2020-21 spending now. "As long as there's a glimmer of hope that we'll be getting some more support, let's wait and see what the final numbers are. We may still have to have budget cuts, or revenue raisers, or more borrowing. It still may come."

# ADVANCEMENTS IN TECHNOLOGY

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**Is our instructional technology sufficient to withstand another shutdown and move 100% to remote learning?**

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- ✘ Over the years, the District has targeted fiscal resources specifically to the area of technology,
- ✘ This ensured that we were able to maintain a robust technology infrastructure that adequately provided for our K-12 program needs,
- ✘ When the Covid-19 Pandemic hit in March 2020, the District's technology resources were in a good place.



# COMMITMENT TO FUNDING TECHNOLOGY

From the beginning of the Covid-19 shutdown in March 2020, the District continued to expand its technology infrastructure and resources to allow for increased utilization by students and staff

	Technology Upgrades	
March/2020-Currently	Updated All MDF's and IDF's with new Cisco gear (Smart Bond)	\$895,015.00
July 2020- pending delivery	260 Chromebooks to replace 5th grade chromebooks	\$97,000.00
July/2020	Mevo Cameras	\$19,527.00
Aug/2020- September/2020	Installed power, Data and Large Screen Monitors for Large Instruction spaces	\$85,000.00
Sep/2020-	Acer Tab 10 Cases	\$9,000.00
Aug/2020-Sept/2020	Purchased and deployed K-1 Tablets	\$77,120.00
Aug-Sep 2020	Installed and upgraded Wireless Access Points in the elementary large areas	\$16,435.00
Aug-Sept 2020	Purchased and Installed Artic Wolf SOC(Managed Operations Centers) devices	\$51,000.00
June/2020- Currently	Purchasing Doc cams for all teachers. Inventory is limited	\$14,000.00
July 2020- November 2020	Upgraded Both District Firewalls to Support Larger Bandwidth.	\$135,200.00
July 2020- November 2020	Upgraded Both Internet Service Fiber connections to 5 GB from 1GB each	\$75,000.00
Sep 2020	Added subscription for Screencastify	\$3,100.00
Sep 2020	Added subscription for Kami	\$6,400.00
Sep 2020	Added subscription for Peardeck	\$8,539.00
Sep 2020	Added subscription for Edpuzzle	\$6,060.00
Sep 2020	Added subscription for SeeSaw	\$7,200.00
		\$1,496,596.00

# PREVIEW OF ENROLLMENT TRENDS

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- ✘ District enrollment has decreased by 564 students, or 17.1 percent, since 2010. The most significant decline was in the elementary (K - 5) grade configuration, with a loss of 334 students, or 23.3 percent; the middle (6 - 8) grades recorded a smaller loss of 100 students (13.3 percent); and the high school (9 - 12) grades lost 130 students, or 11.8 percent.
- ✘ Declines are projected to continue during the next ten years, with an additional loss of 402 students, or 14.7 percent, expected by 2030.
  - + Elementary (K - 5): - 79 students (7.2 percent)
  - + Middle (6 - 8): - 74 students (11.3 percent)
  - + High School (9 - 12): - 249 students (25.6 percent)

# PREVIEW OF ENROLLMENT TRENDS

- ✘ This year 39 students (1.4 percent) are attending non-public schools. This is the lowest of the ten-year historical period; in 2010, 96 students, or 2.8 percent of District resident students attended private schools.
- ✘ Housing turnover was at the lowest level of the historical period (2008 - 2019) in 2010, when 106 units were sold. Subsequently, sales increased with 166 and 151 sales recorded in 2018 and 2019, respectively. The median sale price increased to \$465,000 in 2019; this is the highest level of the historical period.
- ✘ According to Census data, population in the Town of Islip has decreased 1.8 percent since 2010; similarly, the population in the Sayville School District has decreased 1.7 percent. During this period, there have been decreases in the percentages of pre-school (0 - 4) and school-age children (5 - 19), while the percentage of residents aged 65+ has grown.

# BUDGET DEVELOPMENT CALENDAR

- ✘ **Some Critical Dates** (Calendar posted on District website):
  - + February 4, 2021: Begin review of the 2021-22 Proposed Budget
  - + Budget review meetings continue at every scheduled Board Workshop and Regular meeting through February, March and April until the adoption of the Budget by the Board of Education
  - + May 4, 2021: Final Budget document and required disclosures available for distribution
  - + May 11, 2021: Budget Informational Meeting & Public Hearing
  - + May 18, 2021: Budget Vote and Election of Trustees

Please see entire 2021-22 Budget Review Calendar at [www.sayvilleschools.org](http://www.sayvilleschools.org)

# IN SUMMARY..... THE CHALLENGES AHEAD

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- ✘ Begin the budget process with an eye on sustainability and preservation of programs,
- ✘ We must remain 'creative' in a period of probable State aid reductions. It is a question of how much and when?
- ✘ Recognizing the possible need to reduce costs under a Tax Cap Levy Limit well under the 2% max,
- ✘ Recognizing the District's continuing declining student enrollment trends and the effect on our programs and buildings,
- ✘ Strategically utilize fund balance and reserves to help us navigate through these times of diminishing revenues,
- ✘ Striking that 'balance' in presenting a fiscal responsible budget to the community and maintaining the educational opportunities for our students.

# ?? QUESTIONS/THOUGHTS/IDEAS ??

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